

HONORABLE RICHARD A. JONES

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

NORTHWEST ADMINISTRATORS INC.,

Plaintiff,

v.

HAROLD SMITH & SON, INC., a
California corporation,

Defendant.

Case No. 2:20-cv-00205-RAJ

ORDER

I. INTRODUCTION

This matter is before the Court on Plaintiff's motion for default judgment. Dkt. # 8. Having reviewed the record, the Court **GRANTS** the motion and directs the clerk to enter default judgment as directed at the end of this Order.

II. BACKGROUND

Plaintiff Northwest Administrators Inc. is the authorized administrative agency for and the assignee of the Western Conference of Teamsters Pension Trust Fund ("Trust"). Dkt. # 1 ¶ 1. The Trust provides retirement benefits to eligible participants. *Id.* ¶ 2. Defendant Harold Smith & Son Inc., a California corporation, entered a collective bargaining agreement with Local 315 of the International Brotherhood of Teamsters. *Id.* ¶¶ 5-6. Under that agreement, Defendant is required to report and pay monthly

1 contributions to the Trust. *Id.* ¶ 6. The agreement further provides that Defendant shall
 2 pay 20 percent of all delinquent contributions to the Trust as liquidated damages. *Id.* ¶ 7.
 3 Defendant shall also pay interest, attorney’s fees, and costs that the Trust incurs in
 4 obtaining Defendant’s unpaid obligations. *Id.*

5 Plaintiff is now suing Defendant for failing to pay its Trust contributions on time.
 6 Plaintiff claims that Defendant was late for two contribution periods, November 2019 and
 7 December 2019. Dkt. # 8 ¶ 11. For the November 2019 period, Defendant’s contribution
 8 was due on December 10, 2019, but it was ultimately received months later, on February
 9 21, 2020. Dkt. # 9-1 at 18. For the December 2019 period, Defendant’s contribution was
 10 due on January 10, 2020, but it was ultimately received more than a month later, on
 11 February 24, 2020. *Id.* For these late payments, Plaintiff seeks liquidated damages,
 12 interest, attorney’s fees, and costs. Dkt. # 8 ¶¶ 11-12.

13 Plaintiff filed a complaint in this Court on February 10, 2020. Dkt. # 1.
 14 Defendant’s registered agent, Pam Raybould, was properly served on February 20, 2020.
 15 Dkt. # 5. Defendant failed to respond to the complaint, and Plaintiff moved for an entry
 16 of default on March 30, 2020. Dkt. # 6. The Clerk granted the motion and entered
 17 default the next day. Dkt. # 7. Plaintiff has since moved for default judgment, Dkt. # 8,
 18 and Defendant has again failed to respond.

19 **III. LEGAL STANDARD**

20 At the default judgment stage, a court presumes all well-pleaded factual allegations
 21 are true, except those related to damages. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915,
 22 917-18 (9th Cir. 1987); *see also Fair House. of Marin v. Combs*, 285 F.3d 899, 906 (9th
 23 Cir. 2002). The entry of default judgment under Rule 55(b) is “an extreme measure,” and
 24 disfavored cases should be decided on their merits whenever reasonably possible. *Cnty.*
 25 *Dental Servs. v. Tani*, 282 F.3d 1164, 1170 (9th Cir. 2002); *see also Westchester Fire Ins.*
 26 *Co. v. Mendez*, 585 F.3d 1183, 1189 (9th Cir. 2009).

27 In addition, Federal Rule of Civil Procedure 55(b)(1) permits a court to enter

1 default judgment when a plaintiff's claim "is for a sum certain or a sum that can be made
 2 certain by computation." Fed. R. Civ. P. 55(b)(1). In moving a court for default
 3 judgment, a plaintiff must submit evidence supporting the claims for a particular sum of
 4 damages. Fed. R. Civ. P. 55(b)(2)(B). If the plaintiff cannot prove that the sum it seeks
 5 is "a liquidated sum or capable of mathematical calculation," then the court must hold a
 6 hearing or otherwise ensure that the damage award is appropriate, reasonable, and
 7 demonstrated by evidence. *Davis v. Fendler*, 650 F.2d 1154, 1161 (9th Cir. 1981); *see*
 8 *also Getty Images (US), Inc. v. Virtual Clinics*, No. 2:13-cv-00626-JLR, 2014 WL
 9 358412, at *2 (W.D. Wash. Jan. 31, 2014). In determining damages, a court can rely on
 10 declarations submitted by a plaintiff. *Dr. JKL Ltd. v. HPC IT Educ. Ctr.*, 749 F. Supp. 2d
 11 1046 (N.D. Cal. 2010). Where there is evidence establishing a defendant's liability, a
 12 court has discretion, not an obligation, to enter a default judgment. *Aldabe v. Aldabe*, 616
 13 F.2d 1089, 1092 (9th Cir. 1980); *see also Alan Neuman Productions, Inc. v. Albright*, 862
 14 F.2d 1388, 1392 (9th Cir. 1988). Because deciding for or against default judgment is
 15 within a court's discretion, a defendant's default does not de facto entitle a plaintiff to a
 16 court-ordered judgment. *Curtis v. Illumination Arts, Inc.*, 33 F. Supp. 3d 1200, 1210-11
 17 (W.D. Wash. 2014).

18 IV. DISCUSSION

19 Plaintiff's evidence establishes that Defendant was indeed delinquent in paying its
 20 Trust contributions for the November 2019 and December 2019 periods. Dkt. # 8 ¶ 11;
 21 Dkt. # 9 ¶ 12; Dkt. # 9-1 at 18. Under the Western Conference of Teamsters Pension
 22 Trust Agreement and Declaration of Trust, if Defendant is delinquent in payment, it must
 23 pay liquidated damages equal to twenty percent of delinquently paid contributions,
 24 interest on the amount due, as well as attorney's fees and costs. Dkt. # 9-1 at 5. The
 25 interest rate at the time the contributions were due was five percent per annum. Dkt. # 8-
 26 1 at 6.

27 For the November 2019 period, Plaintiff's evidence shows that Defendant owed

1 \$19,115.25 on December 10, 2019. Dkt. # 9-1 at 18. But Defendant was delinquent and
 2 paid that amount months later, on February 21, 2020, incurring liquidated damages at the
 3 rate of 20 percent on the amount due. *Id.* Similarly, for the December 2019 period,
 4 Defendant owed \$13,349.00 on January 10, 2020. *Id.* Defendant was delinquent yet
 5 again and paid that amount more than a month later, on February 24, 2020, incurring
 6 liquidated damages of 20 percent on the amount due. *Id.* In total, Plaintiff has shown
 7 that Defendant owes \$6,492.85 in liquidated damages. *Id.* Moreover, Plaintiff has also
 8 shown that given a rate of 5 percent per annum, Defendant owes interest in the amount of
 9 \$273.44. *Id.*

10 Finally, Plaintiff has presented evidence of attorney's fees and costs. Dkt. # 8-1 at
 11 8. In accordance with *Trustees of the Const. Indus. & Laborers Health & Welfare Trust*
 12 *v. Redland Ins. Co.*, 460 F.3d 1253, 1256-57 (9th Cir. 2006), the Court awards the hourly
 13 fees of both Plaintiff's counsel and counsel's hourly-billing support staff. The Court
 14 finds that Plaintiff's evidence supports an attorney fee award of \$888 and costs of \$495.
 15 Dkt. # 8-1 at 8.

16 V. CONCLUSION

17 For the reasons stated above, it is hereby **ORDERED** that:

- 18 (1) Default judgment is entered in favor of Northwest Administrators Inc. and
 19 against Harold Smith & Son Inc., and
 20 (2) Default judgment is for the total amount of \$8,149.29.

21
 22 DATED this 13th day of January, 2021.

23
 24 

25 The Honorable Richard A. Jones
 26 United States District Judge